



# ENERGY ASSURANCE DAILY

Wednesday, January 10, 2007

## *Electricity*

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### **Snowstorm Knocks Out Power to 150,000 Customers in Pacific Northwest January 9**

Violent snowstorms moved across the Pacific Northwest yesterday, knocking out power to about 152,000 customers in western Washington State and Vancouver. At the peak of the storm Tuesday night B.C. Hydro reported 115,000 customers without power in Vancouver. In Washington State, Puget Sound Energy reported a total 29,000 customer outages throughout the day on Tuesday and Snohomish County PUD reported about 8,000 customer outages. As of early Wednesday morning, 40,000 B.C. Hydro customers remained without power.

<http://www.oilweek.com/news.asp?ID=6938>

[http://heraldnet.com/stories/07/01/10/100loc\\_alweather001.cfm](http://heraldnet.com/stories/07/01/10/100loc_alweather001.cfm)

[http://seattletimes.nwsources.com/html/localnews/2003517595\\_weather10m.html](http://seattletimes.nwsources.com/html/localnews/2003517595_weather10m.html)

### **Update: NPPD Urges Customers to Conserve Electricity in Nebraska**

Nebraska Public Power District (NPPD) is worried that frigid weather later this week could ultimately threaten to disrupt repairs following last week's devastating ice storms. An estimated 7,000 to 8,000 customers remain without power in central Nebraska. NPPD is concerned that cold temperatures will not only slow the restoration process of already taxed repair crews but also drive up electricity demand by customers trying to stay warm, further straining the frail power system.

<http://ap.theindependent.com/pstories/state/ne/20070110/136846201.shtml>

### **Dominion's 612 MW Brayton Point Coal-fired Unit in Massachusetts Shut January 10**

Reuters, 11:49 January 10, 2007

### **Xcel's 540 MW Tolk Coal-fired Unit 2 in Texas Shut January 9**

The unit will be shut for a few days to fix a tube leak.

Reuters, 07:43 January 10, 2007

### **TXU's 750 MW Monticello Coal-fired Unit 3 in Texas Shut January 9**

The unit will be shut for a few days to fix a tube leak.

Reuters, 07:44 January 10, 2007

### **Update: FERC Approves New Midwest ISO Electricity Shortage Procedures**

The U.S. Federal Energy Regulatory Commission (FERC) has approved the Midwest Independent System Operator's revised plan on dealing with electricity shortages and avoiding emergencies in its real-time power market. The new procedures, which became effective January 8, allow the Midwest ISO to use up to 50 percent of "spinning reserves" for as much as 60 minutes to avoid an emergency situation. Spinning reserves are generation capacity that is running and synchronized to the electric system but not yet feeding any load. The reserves that will be called upon will be above a generator's economic maximum capacity but below its emergency maximum capacity.

<http://www.platts.com/Electric%20Power/News/8819049.xml?p=Electric%20Power/News&sub=Electric%20Power>

## ***Petroleum***

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### **Update: BP Shuts 60,000 bpd Ultracracker at Texas City, Texas Refinery**

The unit, which had been flaring since beginning a restart on January 4, was shutdown to repair a leak in one of its main heat exchangers.

Reuters, 11:06 January 10, 2007

### **Small Oil Spill Briefly Shuts Trans-Alaska Pipeline January 9**

According to Alaska officials, a 500-gallon (12-barrel) oil spill shut down the Trans-Alaska Pipeline System (TAPS) for about 6 hours yesterday. The spill was caused by a failed weld on a bypass line at a remote gate in the Brooks Range, near Coldfoot, Alaska. Alyeska Pipeline Co., which operates the TAPS, closed the pipeline's valves and contained the spill before reopening the line by 2:45 p.m. TAPS normally pumps about 800,000 b/d from the Alaska North Slope to the Port of Valdez. North Slope crude production was cut back to about 35 percent of capacity, but not halted, for about 3 hours during the shutdown.

<http://www.adn.com/money/story/8551698p-8445531c.html>

### **Bush Administration Lifts Ban on Oil and Gas Leasing in Alaska's Bristol Bay**

President Bush has removed the ban on oil and gas leasing in federal waters off Alaska's Bristol Bay. Leasing in the area has been banned since the 1989 Exxon Valdez oil spill. According to Oil Daily, the proposed lease area contains an estimated 200 million barrels of oil and 5 trillion cubic feet of natural gas.

Oil Daily, January 9, 2007

### **Update: Russia Declares Tax on Belarus Imports, Belarus Backs Off Oil Import Tax Oil to Flow Again from Druzhba Pipeline Today or Tomorrow**

Yesterday, Russia imposed a tax on goods imported from Belarus as a response to the tax Belarus recently imposed on all Russian oil transiting Belarus. Belarus responded by withdrawing the transit tax it imposed on Russian oil, hoping that Russia would back off on the tax on goods imported from Belarus import tax and that Russia would turn back on the flow of crude oil into the Druzhba pipeline. Belarus reportedly will also return the oil it siphoned off of Druzhba to pay the oil transit tax that Russia refused to pay. A Slovakian official said he expected to see oil flowing from Druzhba today.

Reuters, 14:10 January 10, 2007

Bloomberg News, 10:48 January 10, 2007

### **Ukraine Shuts Yuzhny Oil Export Port January 9 Due to Druzhba Pipeline Shutdown**

This port was scheduled to export 177,000 bpd of crude oil during the month of January.

Reuters, 06:35 January 10, 2007

### **Russia Could Export 50 Percent More Crude Through Its Baltic Sea Port Within One Year**

Russia's Energy Minister said that the capacity of Primorsk (on the Baltic) could triple from about 1.5 million bpd to about 4.5 million bpd with two to three years.

Reuters, 11:19 January 10, 2007

### **Update: Venezuela to Compensate Companies Nationalized**

Bloomberg News, 13:38 January 10, 2007

## ***Natural Gas***

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### **Natural Gas Transmission Line Shut Due to Leak in New Mexico January 8**

More than 30 homes in New Mexico were evacuated due to a leak in damaged natural gas transmission line. The Public Service Company of New Mexico cut supply to the 16-inch pipeline so that it could be repaired and repressurized. A contractor working in the area damaged the line.

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=7632552](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=7632552)

## U.S. Coast Guard Sets Security Zone Around Elba Island LNG Terminal in Georgia

The U.S. Coast Guard has issued an interim rule that establishes a permanent security zone around El Paso Corp.'s liquefied natural gas (LNG) import facility on Elba Island in Georgia. The decision was made due to the addition of two berths at the plant which had increased security risks at the terminal. The Coast Guard put the rule into effect immediately rather than issuing a proposed rule because the delay for public comments would have an adverse effect on the safety of navigation on the Savannah River and the security of LNG import operations at the port. The Coast Guard will hold a 60-day public comments period before issuing a final rule.

<http://www.platts.com/HOME/News/6338085.xml?sub=HOME&p=HOME/News&?undefined&undefined>

## Other News

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### Western Railroads Clear Off Backlog of PRB Coal Trains After Nebraska Snowstorm

According to Union Pacific and BNSF Railway, the two railroads have managed to work off the backlog of Powder River coal train traffic that resulted from last week's snow and ice storm in central Nebraska. However, power remains out in parts of central Nebraska where the railroads are operating coal trains, forcing the carriers to take precautionary measures such as reducing train speeds. Union Pacific said that it was still using portable generators to power signals on part of its network in Nebraska.

<http://www.platts.com/Coal/News/8819050.xml?p=Coal/News&sub=Coal>

## Energy Prices

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U.S. Oil and Gas Prices			
January 10, 2007			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	53.95	58.31	63.41
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.42	5.47	8.60

Source: Reuters

## Energy Notes

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### 69-kV AEP-SWEPCO Transmission Line Trips 7 Breakers at Substation in Texarkana, Texas Causing Widespread 1-Hour Power Outage January 9

[http://www.texarkanagazette.com/articles/2007/01/09/local\\_news/news/news04.txt](http://www.texarkanagazette.com/articles/2007/01/09/local_news/news/news04.txt)

### Cal-ISO Study Finds SCE's Tehachapi Transmission Project Beneficial for Reliability

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=7637070](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7637070)

### California Proposes Low Carbon Fuel Standard for Transportation Sector

Oil Daily, January 9, 2007

### Gunmen Kidnap 9 South Korean and 1 Nigerian oil worker from Oil Base in Nigeria

Reuters, 06:36 January 10, 2007

### Chronology of Nigerian Militant Attacks on Oil and Gas Industries Since October 2006

Reuters, 04:10 January 10, 2007

## Links

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### ENERGY ASSURANCE DAILY

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<http://www.oe.netl.doe.gov/index.aspx>.

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